



City of Lincoln
Consolidated Plan 2000 – 2003
Executive Summary

City of Lincoln

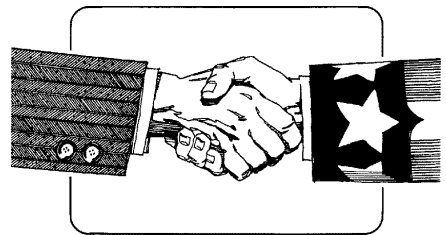
Consolidated Plan 2000 – 2003

Executive Summary

The overall goal of Federally-funded community planning and development programs is the development of viable urban communities by providing decent housing, a suitable living environment and expanding economic opportunities principally for low- and moderate-income persons.

What is the *Consolidated Plan*?

The *Consolidated Plan* provides a four-year guide for the use of funds that the City of Lincoln receives from the U.S. Department of Housing and Urban Development (HUD). These funds, provided under the Community Development Block Grant (CDBG), the HOME Investment Partnerships Act (HOME), and Emergency Shelter Grant (ESG) programs, come each year to the City through allocations called entitlement grants. By HUD regulation, the *Consolidated Plan* must contain a housing and homeless needs assessment, a housing market analysis, and a strategic plan which sets out priorities for funding in the areas of housing, homelessness, other special needs housing and services, and non-housing community development (neighborhood revitalization, community services, and economic development). The *Consolidated Plan* is reviewed and approved by HUD before the City can receive its funding.



CDBG = Community
Development Block
Grant

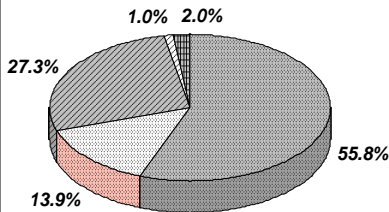
HOME = HOME Investment
Partnerships Act

ESG = Emergency Shelter
Grant

Sources of Funds

Consolidated Plan 2000 – 2003
\$15,508,000 over 4 years

- CDBG
- CDBG Program Income
- HOME
- HOME Program Income
- ESG



How much \$ does the City receive?

Funding changes from year-to-year depending upon the budget passed by Congress. For the four years covered by this *Consolidated Plan*, it is estimated that the City will receive \$10,800,000 in CDBG funds (\$2,700,000 annually), \$4,400,000 in HOME funds (\$1,100,000 annually), and \$308,000 in ESG funds (\$77,000 annually). These totals include program income generated through loan paybacks.

When does the City receive its funds?

The City's fiscal year (FY) begins on September 1st and ends on August 31st of the following year. For example, FY2000 runs from September 1, 2000 through August 31, 2001.

Who administers the funds?

The City's Urban Development Department (UDD) is Lincoln's designated administering agency. UDD prepares all plans and reports and provides financial management for these programs, in addition to handling all redevelopment projects in the City (funded with Tax Increment Financing or TIF). UDD also administers numerous housing rehabilitation programs funded under CDBG and HOME, and provides contract management, oversight, and monitoring for a variety of programs and projects funded by CDBG, HOME, and ESG, and operated by non-profit agencies in the community. UDD receives citizen input on these activities from the Community Development Task Force whose members are appointed by the Mayor.

A Citizen's Guide to Lincoln's Community Development and Housing Programs provides a more detailed overview of eligible uses for these funds. Call (402) 441-7606 to request your copy or visit Urban Development Dept. on the City's web site: www.interlinc@ci.lincoln.ne.us.

What can the funds be used for?

CDBG funds can be used for a wide variety of activities, including housing, economic development, public infrastructure improvements, community services and facility improvements, and administration, which includes special studies and planning activities.

HOME funds can be used to rehabilitate or construct affordable rental or owner occupied housing, pro-

vide assistance to **low to moderate income** first time home buyers to purchase a home, assist non-profit entities in improving their capacity to rehabilitate or construct housing, and provide tenant-based rental assistance.

"Low to Moderate Income" is often abbreviated as **LMI**.

ESG funds must be used to assist agencies in providing shelter and services to homeless persons and providing homeless prevention activities.

What does the *Consolidated Plan* tell us?

The *Consolidated Plan* looks at a wide range of current factors affecting Lincoln's low- and moderate-income population. These factors are the basis for the development of strategies that work toward providing **"decent housing, a suitable living environment and expanded economic opportunities."**

What are the factors affecting "Decent Housing"?

Housing Demand...

- * Since 1990, Lincoln has added:
 - 24,345 more people (12.7% growth),
 - 14,784 more households (19.6% growth), and
 - 8,713 more persons of color (72.3% growth, which equaled 35.8% of the total population growth).

Housing Availability...

- * Since 1990, Lincoln has added:
 - 15,409 more housing units (19.5% growth),
 - 6,303 more multi-family units (22.3% growth), and
 - 9,106 more single family units (17.9% growth).
- * There are currently 5,056 subsidized rental housing units citywide -- 63.6% of these are family units.
- * Lincoln Housing Authority provides 78% (4,014 units) of the City's total subsidized rental housing stock. Of these, 2,795 units are assisted under the Section 8 voucher program which provides rental assistance to low income households for privately-owned housing units.



Homeownership...

- * Despite an increase in the absolute number of homeowners, the City's overall homeownership rate fell from 58.1% in 1990 to 57% in 2000.
- * Since 1990, the elderly homeownership rate declined from 74.1% to 68%.
- * There are 7,592 more homeowners (17.3% growth) since 1990, compared to 7,137 more renter households (22.6% growth).

Affordable Housing Demand...

- * Lincoln has 9,520 more households with low and moderate incomes (29.4% growth) since 1990 -- LMI households increased from 43% of total city households in 1990 to 46.4% of total households in 2000.
- * There are 16,010 non-elderly LMI renters overburdened by housing costs:

Income classifications are based on a city's median household income (MHI):

Low = 51 - 80% of MHI,

Very Low = 31 to 50% of MHI,

Extremely Low = 0 to 30% of MHI.

- 5,336 (33.3%) of these are Extremely Low-Income and 81% (or 4,334) are severely cost overburdened, paying more than half of their income for housing.
- 2,923 (18.3%) are Very Low-Income.
- 7,751 (48.4%) are Low Income.

Housing Cost Overburden

means paying more than 30% of one's income for housing-related costs.

- * There are 1,542 more elderly households with LMI's (17.5% growth).
- * There are 1,205 elderly LMI renters with housing cost overburden.

Housing Conditions...

- * In an analysis based on County Assessor property information, 10,537 of 37,768 (or 41%) of the one & two family dwellings studied were rated 7 or greater on a scale where 1=excellent and 11=dilapidated.
- * In this same analysis, 53% of the investor-owned housing was rated 7 or greater compared to 21% of the owner-occupied housing.

Private Lending...

- * In Lincoln, from 1990 through 1998, over \$4.5 billion in private financing was provided for housing purchase, mortgage refinancing and housing rehabilitation.
- * In LMI areas, 42% of the home purchase and refinanced mortgage loans went to investor-owners -- compared to 11.5% citywide.

Fair Lending...

- * Approval rates from 1990 to 1998, for all types of loans (home purchase, refinancing, and home improvement) were lower for minority households than for non-minority households.
- * The biggest disparity was in home improvement and refinanced mortgage loans, where the approval rates for loans to minority households were, respectively, 16% and 28.4% lower than the approval rates for non-minority households.

Fair Housing...

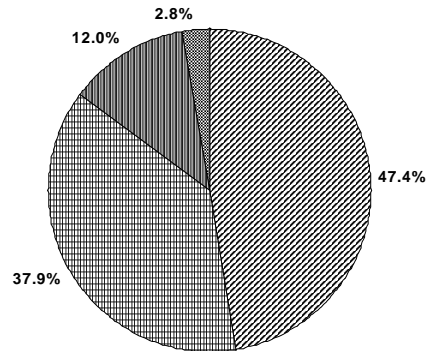
- * Analysis of the location of Section 8 recipients indicated that minority households were more likely than non-minority households to find rental housing in low-income areas. Section 8 is a voucher based tenant rental assistance program operated by Lincoln Housing Authority for LMI households.

Barriers to Affordable Housing...

- * **Not In My Back Yard (NIMBY)** attitudes exist in Lincoln. Building (or proposing to build) affordable housing in non-LMI areas is usually met by opposition from surrounding neighborhoods. While no projects have been prevented from being developed, the public process is delayed and may contribute to increased costs.

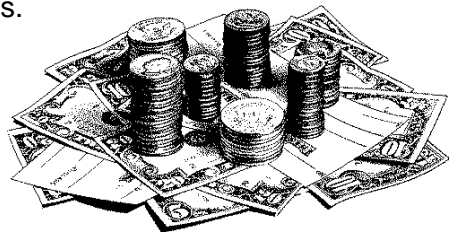
Private Lending for Housing 1990-1998

Refinancing:	\$2.155 Billion
Conventional Home Purchase:	\$1.723 Billion
Insured Home Purchase:	\$.544 Billion
Home Improvement:	\$.128 Billion



Source: Housing Mortgage Disclosure Act. 1990-98.

*"Low to
Moderate
Income"* is often
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LMI.





Homelessness...

- * On any given day, there are 1,738 persons homeless in the city. This number includes 490 single men, 183 single women, 85 youth, and 980 persons in families with children.
- * 66% of homeless individuals have problems with substance abuse (includes persons with dual diagnosis; involving both mental health and substance abuse).
- * 78% of homeless families have problems with domestic violence, however, substance abuse is also an issue with many domestic violence victims.

Homeless Trends...

- * Shelters and transitional housing programs are operating at capacity, with overcrowding at the People's City Mission.
- * At People's City Mission, individuals and families are staying longer (lack of a place to go) and recidivism is increasing for both populations.
- * Homelessness has increased for minority populations.
- * Due to a lack of housing alternatives, the length of stay in emergency shelters for youth has also increased, causing more youth to be turned away from shelters.

Shelter and Services...

- * Lincoln has Emergency Shelter for 73 single person adults, 25 families, and 30 youth. There is a need for more Emergency Shelter (184 beds), especially for domestic violence victims. The planned expansion of People's City Mission will take care of some of this gap.
- * Lincoln has Transitional Housing for 298 single person adults, 26 youth, and 145 families. There is a need for more Transitional Housing (491 "beds" for 268 individuals and 72 families), with the greatest need for persons with substance abuse problems (including dual diagnosis).

Special Needs Housing...

- * Lincoln has Permanent Supportive Housing (various levels of support) for 420 adults with mental illness, 44 adults with

physical disabilities, 383 adults with developmental disabilities, 83 (general population) single adults, 404 elderly households, and 328 families.

- * 612 developmentally and/or physically disabled persons are “inappropriately” placed in nursing home facilities because of a lack of suitable facilities.
- * 70 severely mentally disabled persons need supportive housing.
- * 75 persons with HIV/AIDS need Assisted Living Facility Units.
- * An estimated 865 of the city’s elderly rental households and 1,113 elderly homeowners are “vulnerable” and need housing that provides supportive services.
- * 560 frail elderly (80+ years) are in need of Assisted Living Facility Units under Medicaid Waivers.

Other Issues...

- * Funding is limited and primarily goes to maintenance of effort.
- * Funding for transitional housing is often dependent on competitive processes.
- * Mis-matches occur between facilities and need.

What are the factors affecting a “Suitable Living Environment”?

- * In the low/moderate income areas of Lincoln, the physical environment is affected by numerous Quality of Life issues, including:
 - Deteriorated commercial structures,
 - Prevalence of substandard 1 and 2 family rental housing,
 - Unplanned density and related negative effects, including parking problems -- sometimes caused by zoning,
 - Deteriorating, undersized aging infrastructure,
 - Lack of open space & parkland,



- Land use conflicts,
- Real or perceived problems with crime and security.
- * Housing, including emergency shelter and transitional housing, was identified in the top three priority needs in the *Lincoln/Lancaster Human Services Needs Assessment and Comprehensive Plan*. Other priority needs included meeting basic needs (food, clothing, etc.), prevention programs (substance abuse, domestic violence, etc.), transportation, child care, health care, supportive case management, and behavioral health services.
- * The *Needs Assessment* also indicated that, because of unsophisticated data gathering, many agencies have inaccurate or incomplete information. This makes planning and coordination of human services difficult.
- * Human Service agencies identified facility improvement needs totaling \$4.9 million.

What are the factors affecting “Expansion of Economic Opportunity”?

Workforce and Jobs...

- * 26,384 more local residents joined the workforce (21.5% growth) since 1990.
- * 31,554 more jobs were created (25.9% growth) since 1990 -- a higher rate of job growth than workforce growth. Of these, 43% were in Services and 18% in Retail Trade.
- * Combined, the Services and Retail Trade Sectors grew from 40.1% of the economy in 1990 to 44.4% in 2000. These sectors have a higher percentage of low-wage, part-time and/or temporary, and low/no benefit jobs.
- * Lincoln has a low unemployment rate, about 2.2%.

Trends...

- * There is a severe labor shortage, with 30% of new jobs going unfilled (one of three due to lack of qualified applicants).

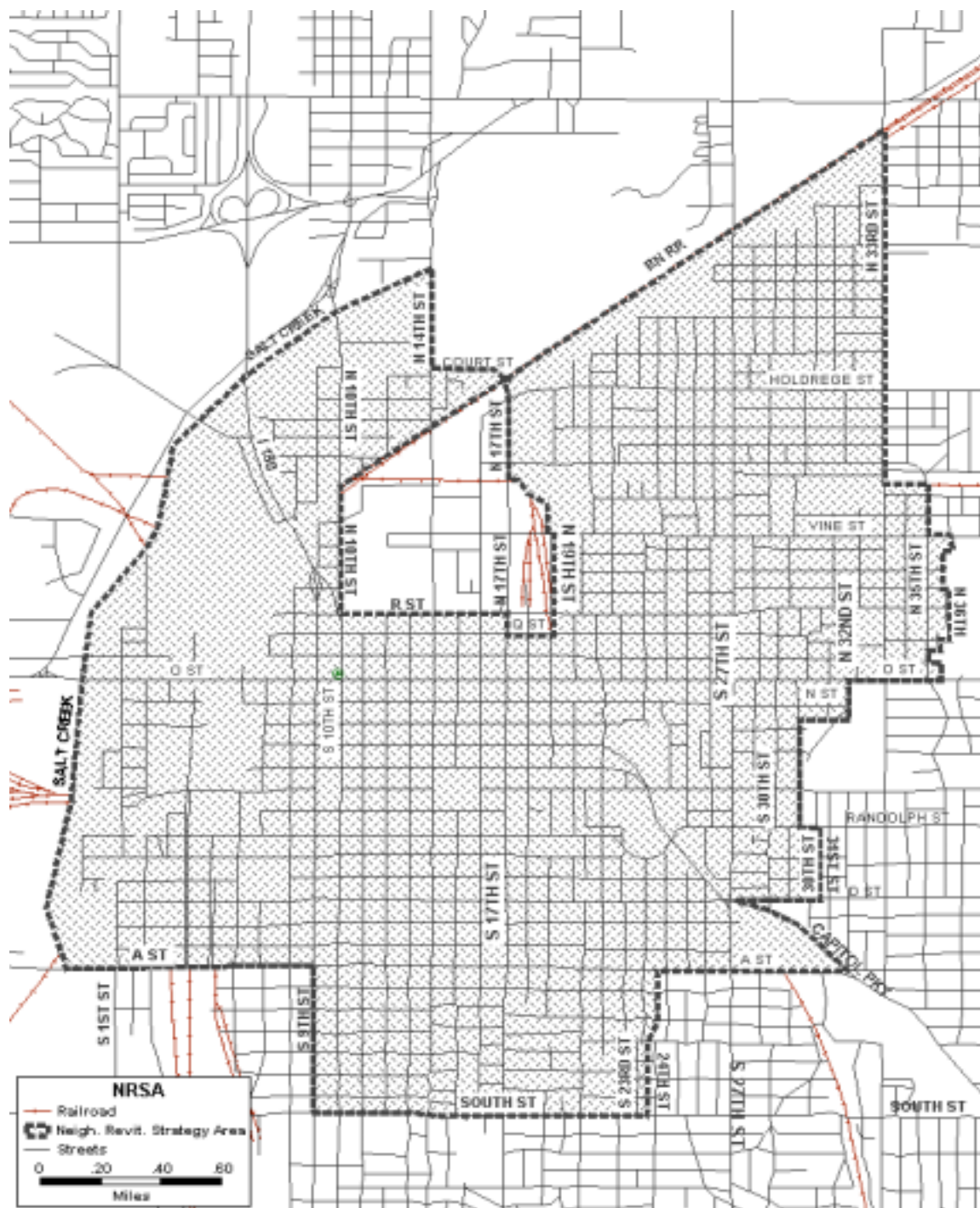
- * There is increasing dependence on a “flexible” workforce, meaning temporary or contingent labor.
- * There are significant wage gaps between genders and racial groups (i.e., on average, women make 27.6% less than men, minority men make 28.3% less than white men).
- * To reach economic self-sufficiency, a single parent with two children needs annual gross earnings of \$22,898 (full time employment at \$11/hour).
- * Many older neighborhoods lack retail and service businesses to serve residents in the area.
- * Lincoln does not have a coordinated approach to economic development/growth.
- * Small businesses employ 50% of the workforce and create 2/3 of all new jobs.
- * Failure rate among small businesses is substantial -- 16% of all small businesses operating each year are start-ups, 1/2 of all small businesses disappear or re-organize within five years, and about 14% disappear within a year.
- * Small businesses need better access to capital.



Okay, those are the factors. Now what are the strategies?

The City's overall community development strategy calls for concentrating housing programs, economic development, public improvements, and services in the areas of greatest need within the city, while allowing assistance that can “deconcentrate” poverty and promote the economic integration of the community.

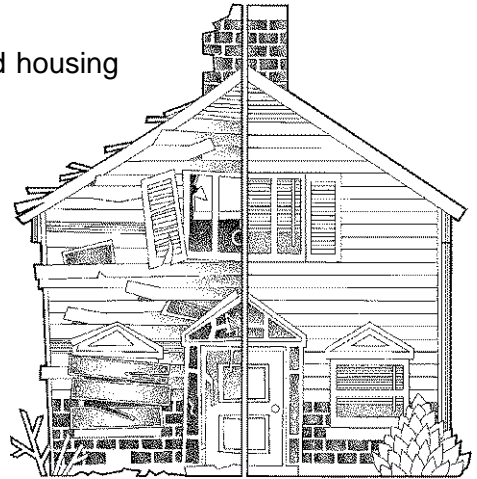
The area designated for the concentration of these activities is called the Neighborhood Revitalization Strategy Area (NRSA). This area includes all of the City's target and focus areas -- sub-neighborhood sized areas with specific plans for revitalization.



What are the goals and strategies to provide “Decent Housing”?

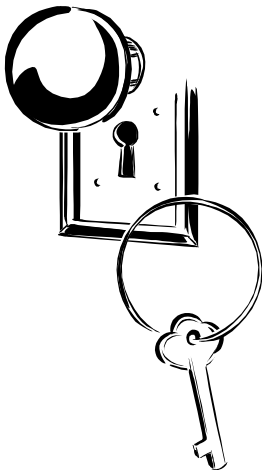
Using HUD funding over the next four years...

- * Rehabilitate 480 single family owner occupied housing units, with at least 50% of these in the NRSA.
- * Rehabilitate 184 investor owned (rental) housing units, with at least 65% of these in the NRSA.
- * Provide for the Minor Exterior Repair of 520 unit of housing, with at least 95% of these in the NRSA.
- * Remove architectural barriers in 62 units of housing.
- * Abate lead based paint hazards in 40 units of housing.
- * Provide homebuyer counseling to 600 households.
- * Provide first time homebuyer assistance to 100 households, with at least 60% of these in the NRSA.
- * Construct 80 units of affordable rental housing.
- * Construct 15 units of owner-occupied infill housing.
- * Construct 33 units of new single family housing for LMI First Time Home Buyers.
- * Acquire and rehabilitate, or demolish and replace with new construction, 24 troubled properties.
- * Continue marketing efforts to increase homeownership in the NRSA.
- * Continue the on-going analyses and updates to the City’s Analysis of Impediments to Fair Housing Choice.



Other Actions...

- * Work with local lenders to increase investment in the NRSA and other LMI areas, especially for home purchases, refinancing and rehabilitation of owner-occupied housing.



- * Strengthen housing quality standard enforcement mechanisms.
- * Develop a mechanism to retain housing sold by elderly homeowners for continued homeownership.
- * Explore other incentives to increase private investment in older areas.
- * Strengthen the City's fair housing enforcement mechanisms.

Homelessness...

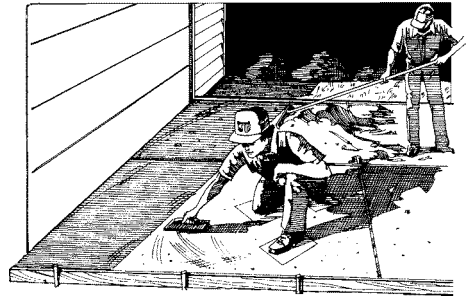
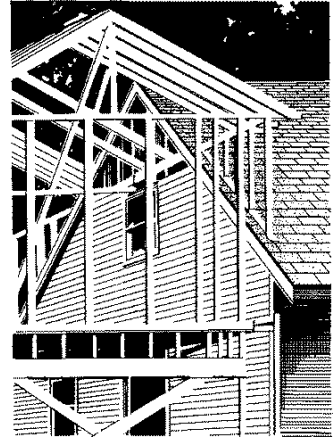
- * Continue ESG/Homeless Shelter Assistance Trust Fund emphasis on Emergency Shelter (60% of funds) and Homeless Prevention (25% of funds). Continue HOME assistance for security deposits for homeless families.
- * Work with homeless service providers to establish a funding allocation plan, including work to secure other sources of funds and/or increase funding at State level.
- * Work with homeless service providers to improve effectiveness and efficiency of service delivery. Expand the IRis Program for coordination of services, client tracking and agency reporting.
- * Give priority for community services and facilities funding to homeless shelters/services.
- * Work with Permanent Supportive Housing providers to develop a citywide case management and coordination plan, with assessment of support services needs and goals for placement of families and individuals in best possible settings. Part of this work should include a detailed assessment of elderly housing (i.e., needs, services, etc.).

What are the goals and strategies to provide a "Suitable Living Environment?"

Using HUD funding over the next four years...

- * Complete focus/target area public infrastructure improvements, concentrating on high impact projects with amenities. All of these improvements will be in the NRSA.

- * Complete 4 redevelopment projects.
- * Assist 13 very low income households in payment of special assessments.
- * Assist 20 households in tree removal or removal of dangerous secondary structures.
- * Work to establish a public health and safety docket in county court.
- * Establish incentives to reduce density.
- * Develop strategies to mitigate parking problems in neighborhoods close to downtown and government or educational facilities.
- * Coordinate City's CIP program with neighborhood revitalization activities.
- * Provide public facilities improvement (rehabilitation) grants for 20 facilities with an emphasis on facilities located in the NRSA.
- * Construct the South Central Lincoln Community Center and the Northbridge Center for Children and Youth.
- * Continue work to strengthen neighborhood associations.



What are the goals and strategies to provide "Expanded Economic Opportunity?"

Using HUD funding over the next four years...

- * Create 138 full-time jobs paying a "living wage".
- * Create a capital access loan program and an industrial retention and expansion program.
- * Provide loans to 21 persons starting or developing micro-enterprises.
- * Assist 4 neighborhood retail & service businesses in the NRSA.



- * Rehabilitate the exterior of 20 commercial buildings. At least 50% of these will be located in the NRSA.
 - * Fund 24 human service programs with emphasis on assisting homeless persons, activities that build self-sufficiency, and youth.
 - * IRis Program implementation (also in Decent Housing / Homelessness strategies) for coordination of case management services.
- * Implement the local Workforce Investment Act (WIA) strategies through “One Stop Employment Solutions,” the local one-stop delivery system.
 - * Explore alternative sources of Economic Development funding and assistance (i.e., creation of a Community Development Financial Institution (CDFI), partnerships, existing financial institutions, technical assistance, etc.).

Who implements all of these strategies and goals?

Although the Lincoln’s community development programs are administered by its Urban Development Department, the City depends upon innumerable partners, both public and private, non-profit and for-profit, to assist in their implementation. These partners vary from program area to program area and form the institutional structure for carrying out the City’s community development strategies. They assume a variety of “roles.” Some implement entire programs for the City or use city funds to implement their own programs. Some borrow City funds to carry out activities while others provide the City with additional financial resources. Still others carry out their own programs which support the City’s overall strategies.

Partners in Housing include...

♦ Lincoln Housing Authority ♦ Nebraska Investment Finance Authority (NIFA) ♦ private non-profit organizations that sponsor and own affordable rental housing ♦ private non-profit organizations that assist people in becoming homeowners or rehabilitating their

homes ♦ Nebraska Department of Economic Development (DED)
♦ Lincoln Commission on Human Rights and ♦ non-profit agencies
providing shelter and other housing opportunities to the homeless.

Partners in a Suitable Living Environment include...

♦ Neighborhood organizations and ♦ numerous city and / or county
departments, including: Public Works & Utilities, Parks & Recreation,
Building & Safety, Planning, and Health.

Partners in Expanding Economic Opportunities include...

♦ Greater Lincoln Workforce Investment Board ♦ Lincoln Partnership
for Economic Development (LPED) ♦ Downtown Lincoln Association ♦ State,
County and City governments ♦ numerous human service agencies which
provide programs that increase self-sufficiency and ♦ funding organizations
such as the United Way and local foundations.

**Okay, I've ready the summary. Now, where
can I get a complete *Consolidated Plan*?**

Contact the Urban Development Department by whatever means
works best for you:

Telephone: (402) 441-7606

FAX: (402) 441-8711

Email: urbandev@ci.lincoln.ne.us

Address: Urban Development Department
129 N. 10th Street
Lincoln, NE 68508

Web Site: www.interlinc@ci.lincoln.ne.us